

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION**

RESTORIX HEALTH, INC.

Plaintiff,

v.

**EAST EL PASO PHYSICIANS’
MEDICAL CENTER, LLC D/B/A
LEGENT EAST EL PASO PHYSICIAN
MEDICAL CENTER**

Defendant.

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JUDGE _____

CIVIL ACTION NO. 3:22-CV-00167

Plaintiff Restorix Health, Inc.’s Original Complaint

Plaintiff Restorix Health, Inc. (“Restorix”) brings this action against Defendant East El Paso Physicians’ Medical Center, LLC d/b/a Legent East El Paso Physician Medical Center (“Defendant”) and alleges as follows:

I.

Jurisdiction and Venue

1. This claim falls within this Court’s jurisdiction pursuant to 28 U.S.C. § 1332 because there is complete diversity of the parties and the amount in controversy exceeds the jurisdictional amount of \$75,000. 28 U.S.C. § 1332.

2. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because it is the district in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of property that is the subject of the action is situated.

II.
The Parties

3. Restorix is a foreign corporation formed under the laws of Nevada with a principal place of business located in New York. Restorix’s principal place of business is expected to be relocated to Louisiana at the end of May of 2022.

4. Defendant is a domestic limited liability corporation with its sole member located at 4090 Mapleshade, Suite 220, Plano, Texas 75093 in Collin County, Texas and may be served through its agent for service of process: Cogency Global, Inc., 1601 Elm Street, Suite 4360 Dallas, Texas 75201.

III.
Factual Background

5. On or about October 25, 2019, Restorix and Defendant entered into an Administrative Services and Professional Staff Agreement (“Agreement”). *See generally* Exhibit 1, Agreement.

6. At all material times relevant to this suit, Defendant operated, and upon information and belief still operates, a hospital located at 1416 George Dieter Drive, El Paso, Texas 79936 (“Facility”).

7. Under the Agreement, Restorix agreed to, and did, construct, operate, and maintain a wound care facility at Defendant’s Facility (“CWC Facility”), operate and maintain an outpatient wound care program at the CWC Facility, and assist Defendant with billing and collections for services provided at the CWC Facility.

8. As part of the Agreement, Restorix invested significant capital for the construction, improvements, equipment, community education, staffing, and training at the CWC Facility made a part of the Facility.

9. Under the Agreement, Defendant was to pay Restorix monthly service fees calculated based on a percentage of collections, specifically 75% of the amounts collected for treatment administered at the CWC Facility (“Service Fees”). *See id.* at §§ 3.1–3.11, Ex. C.

10. Defendant failed, and continues to fail, to make full and complete payment of all Service Fees due and owing to Restorix. Specifically, since June 1, 2021, Defendant has been in default of the Agreement by failing to make full and complete payment of Service Fees due and owing and, since such date of default, has continued to fail to make full and complete payment under the Agreement.

11. Under the Agreement, Defendant was to bill all treatment administered in accordance with the terms of the Agreement and use reasonable best efforts to collect payments for treatment rendered at the CWC Facility. *See id.* at § 5.1.

12. Defendant failed, and continues to fail, to comply with the billing terms of the Agreement, to use reasonable best efforts to collect payment, to collect billed charges, and to carry through the claims processes.

13. Under the Agreement, Defendant was to provide Restorix with reasonable access to patient information, books, and records necessary to effectuate billing and collections for treatment administered at the CWC Facility. *See id.* at § 3.10.

14. Defendant failed, and continues to fail, to provide Restorix with reasonable access to patient information, books, and records that would allow Restorix to verify billing and collections for treatment administered at the CWC Facility.

15. Due to Defendant’s continued breach, and pursuant to the terms of the Agreement, Restorix terminated the Agreement with Defendant on January 31, 2022.

16. As of the date of this filing, Defendant owes Restorix for a total outstanding balance of \$362,066.98, including interest, and \$27,144.34 in revenue for unbilled accounts receivable. *See Exhibit 2a, Account.*

IV.
Causes of Action

A. Breach of Contract

17. Restorix incorporates Paragraphs 1–16 above as if fully set forth here.

18. Restorix and Defendant entered into the Agreement, a valid and enforceable contract.

19. Restorix fully performed its contractual obligations under the Agreement.

20. Defendant breached the Agreement.

21. Defendant’s breach of the Agreement caused Restorix injury.

B. Suit on Sworn Account

22. Restorix incorporates Paragraphs 1–16 above as if fully set forth here

23. Restorix furnished equipment and materials and supplied services to Legent under the Agreement.

24. The total amount due and owing by Legent to Restorix for the equipment and materials furnished and the services supplied is \$362,066.98, including interest. *See Exhibit 2a, Account.*

25. The total amount due and owing by Legent to Restorix in revenue for unbilled accounts receivable is \$ \$27,144.34. *Id.*

26. The amount of the account is just, charged in accordance with the Agreement.

27. The amount due and owing on the account is unpaid.

V.
Conditions Precedent

28. All conditions precedent to Restorix's claims for relief have been performed and/or have occurred.

VI.
Attorney's Fees

29. Because of Defendant's actions, Restorix was required to retain an attorney and has incurred, and continues to incur, fees and expenses.

30. Restorix is entitled to recover payment for the reasonable and necessary expenses and fees for the services of legal counsel pursuant to the Agreement and Texas Civil Practice and Remedies Code §38.001.

PRAYER

Plaintiff Restorix Health, Inc. requests that upon final hearing this Court enter judgment against Defendant East El Paso Physicians' Medical Center, LLC d/b/a Legent East El Paso Physician Medical Center for all of Restorix's damages in a total sum in excess of the minimum jurisdictional limits of this Court, together with pre and post judgment interest, costs and attorneys' fees and that this Court grant Restorix such other and further relief which it may deem just and proper.

Respectfully submitted,

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